



MAINE AFL-CIO

A Union of Unions Standing for Maine Workers
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Testimony of Adam Goode, Maine AFL-CIO Legislative & Political Director, In Support of LD 1267, "Resolve, Directing the Department of Labor to Convene a Task Force to Examine and Study Issues Relating to the Gap Between the Economic Output and Wages of Workers in the State"

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor, my name is Adam Goode. I'm the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 1267.

This resolve directs the Department of Labor to convene a task force to examine and study the gap between the economic output of workers in the State and the wages those workers receive in return and report on the task force's findings to this committee.

Workers in the United States now work more hours per year than any other industrialized country. Despite working more hours than ever, working people are not reaping the benefits of their labor. Up until the early 1970s it was normal that working people would share in profits when they increased their productivity.¹

We see no need for workers to struggle given that for the last three decades, the net worth of the wealthiest 1% of Americans grew by \$21 trillion, while that of the bottom 50% dropped by \$900 billion. The bottom 50% of American households owns just 2% of the nation's wealth.^{2,3}

This trend of rising inequality and the associated social and economic problems it causes for our country and state has not always been the trend. During the 3 decades from the late 1940s to the late 1970s, the pay of the typical worker rose along with productivity. Since the late 1970s, the working class has seen a large discrepancy between the growth of their wages and the labor productivity of the entire economy.⁴ For some reason the expected growth in compensation that should come from increased worker productivity is not winding up in the hands of the typical worker.

For these reasons we think it would be smart for Maine to better understand the gap between the economic output of workers in our state and the wages those workers receive.

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¹Economic Policy Institute, State of Working America Data Library, "Productivity and pay indexes - Productivity and pay real index, base = 1948," 2025.

²<https://www.peoplespolicyproject.org/2019/06/14/top-1-up-21-trillion-bottom-50-down-900-billion/>

³Bruenig, Matt, October 23, 2023. "Wealth Distribution in 2022." People's Policy Project, <https://www.peoplespolicyproject.org/2023/10/23/wealth-distribution-in-2022/>

⁴Bivens, Josh and Elsie Gould, Hilary Wething & Ben Zipperer, March 17, 2025. "Deliberate policy decisions have disempowered workers and increased labor market inequality." Economic Policy Institute, <https://www.briefingbook.info/p/deliberate-policy-decisions-have>